

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:1449
ANSWERED ON:28.11.2000
NELLORE FERTILIZER COMPANY
M. JAGANNATH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Government propose to expand Nellore Fertilizer Company;
- (b) if so, the details thereof; and
- (c) the time by which the expansion work is likely to be started ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE)

(a) to (c) : No proposal to expand any Nellore Fertilizer Company has been received by the Government. However, a proposal of Indian Farmers Fertiliser Cooperative Limited, (IFFCO), to set up a new ammonia-urea plant in Nellore District of Andhra Pradesh with an annual urea capacity of 7.68 lakh metric tonnes at an estimated capital cost of Rs.1736 crore has been approved 'in principle' by the Government, subject to investment appraisal by the Public Investment Board (PIB). Investment appraisal of this project was undertaken by the PIB in its meeting held on 9.7.99. In June 2000, the Government considered and deferred the proposal for taking a final investment decision on the project, taking into account the observations of the PIB regarding the viability of the project, desirability of encouraging use of LNG as feedstock to reduce the incidence of subsidy and the need to stagger the implementation of the proposed projects due to limited demand supply gap forecasts.